

COMMUNICATION

TO: LOS ANGELES CITY COUNCIL

FILE NO. 11-1920

**FROM: COUNCILMEMBER TONY CÁRDENAS, CHAIR
COUNCILMEMBER RICHARD ALARCÓN, MEMBER
HOUSING, COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE**

COMMUNICATION FROM CHAIR AND MEMBER, HOUSING, COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE and relative to approval of the 2012 Affordable Housing Trust Fund (AHTF) Notice of Funding Availability (NOFA), and related actions.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. APPROVE the 2012 Affordable Housing Trust Fund Notice of Funding Availability, in substantial conformance with the document attached to the Los Angeles Housing Department (LAHD) transmittal dated November 10, 2011 (Transmittal) contained in the Council File.
2. AUTHORIZE the General Manager, LAHD, or designee, to:
 - a. Implement an allocation schedule for the 2012 AHTF to include up to three funding rounds to coincide with applicable funding cycles for Federal, State, and/or local affordable multi-family housing development programs.

- b. Evaluate AHTF applications submitted in the first funding round of 2012 based on the availability of the funding source identified below, to the extent that projects are eligible for this source, and return for Council and Mayor approval of final recommendations:

<u>Source</u>	<u>Fund/Account</u>	<u>Amount</u>
HOME	561/43H212	\$21,237,737

- c. Solicit AHTF applications for subsequent rounds based on availability of funds allocated for this purpose pursuant to the approval of the 2012-13 Federal Housing and Community Development Consolidated Plan and the 2012-13 City Budget process and return for Council and Mayoral approval of final recommendations.
 - d. Amend the AHTF NOFA as necessary to be consistent with income or geographic targeting requirements of any applicable leveraged funding sources, which may be revised or become available during the 2012 calendar year, and also provide a summary of such changes for Council and Mayoral review in conjunction with the release of such amended AHTF NOFAs.
3. INSTRUCT the LAHD to report to Council at the time it considers this matter, relative to a recommendation for the LAHD to develop a policy to award extra points (i.e. provide a boost) for projects that incorporate a Project Labor Agreement (PLA).

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that there is no impact to the General Fund. Approval of these recommendations authorize the Los Angeles Housing Department (LAHD) to release the 2012 Affordable Housing Trust Fund (AHTF) Notice of Funding Availability (NOFA) Round One in the amount of \$21.2 million based on the availability of previously approved HOME Investment Partnerships Program funds. The LAHD must report back to the Mayor and Council with recommendations for final award based on the results of the 2012 AHTF NOFA. These recommendations comply with City Financial Policies because dedicated funding sources will fully fund any resulting commitments to projects selected under the NOFA.

Community Impact Statement: None submitted.

SUMMARY

At a regular meeting held on November 23, 2011, the Housing, Community and Economic Development Committee considered a transmittal from the LAHD dated November 10, 2011 and a report from the CAO dated November 22, 2011 relative to approval of the 2012 Affordable Housing Trust Fund (AHTF) Notice of Funding Availability (NOFA), and related actions.

Representatives of the CAO and the LAHD briefed the Committee regarding the 2012 AHTF NOFA and responded to related questions. During the discussion, the Committee inquired whether the LAHD had considered awarding extra points (i.e. providing a boost) to affordable housing projects that have a Project Labor Agreement (PLA) inasmuch as projects with a PLA cost more but benefit the community in the creation of well-paying local jobs with good benefits. The LAHD responded that it currently does not have a PLA policy and has not considered the issue, although the LAHD noted that the CRA/LA does have such a policy. The Committee then instructed the LAHD to report to Council at the time it considers this matter with recommendations for the LAHD to develop a policy to provide a boost as an incentive for projects to incorporate a PLA.

After providing an opportunity for public comment, the Committee recommended that Council approve the recommendations contained in the CAO report and the instruction to the LAHD. This matter is now forwarded to the Council for its consideration.

Respectfully submitted,

TONY CÁRDENAS, CHAIR
RICHARD ALARCÓN, MEMBER
HOUSING, COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
CARDENAS:	YES
REYES:	ABSENT
ALARCON:	YES
PERRY:	ABSENT
WESSON:	ABSENT

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